
STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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School Property Tax Control Board Meeting Minutes May 18, 2006

Minutes and Discussion: April 20, 2006 meeting minutes.

Brownsburg Community Schools, Hendricks County: Officials requested approval of a lease rental agreement with maximum annual payments of \$450,000 for 25 years. Total project costs are \$5,148,288. The tax rate impact is \$0.0152 with a new facility rate impact of \$0.0047 expected. The common construction wage information was in order. There was no application for a petition and remonstrance process. The project is under the DLGF threshold for a new addition.

Present for the hearing was Kathleen Corbin, Superintendent; Marvin Ward, Business Manager; John Voigt, Director of Facilities; Karen Starkey, Community Task Force member; Ron Fisher, Schmidt Associates; Damian Maggos, City Securities and Karl Sturbaum, Bose McKinney & Evans.

Project: The East Middle School Classroom Addition project includes the construction of two wings of classroom space encompassing approximately 28,288 gross square feet. The additions were planned as part of the original design and construction of the East Middle School, located at 1250 East Airport Road, Brownsburg, Indiana. The core of the building was designed to accommodate the additional enrollment capacity that will be added to the building through this project.

The classroom additions were originally planned for occupancy in August of 2009. However, to meet growing enrollments at all levels of the district, the 2005 Long Range Community Task Force has recommended the additions be constructed earlier for enrollment growth first at the ninth grade level for school years 2007 through 2009, and then at the middle school level in subsequent years. In effect the additions take the place of temporary classrooms. By constructing permanent space that is needed at the middle school level in later years, tax dollars are being prudently expended on permanent facilities that will serve the district and community into the future rather than on temporary space that will require a permanent solution at some time in the future.

The additions were planned to occur in two specific and distinct locations, both located on the east side of the building. The single story Unit C Addition will add a science classroom and four general classrooms, as well as teacher support spaces. The two story Unit G Addition will add two science classrooms and ten general classrooms, as well as teacher support spaces. A mechanical room will also be required in the Unit G Addition. The net classroom gain from the

project is fifteen additional classrooms. The vast majority of the 28,288 square feet of floor area is classrooms, with the remaining area being assigned to teacher prep, circulation, and mechanical equipment.

Site work for the project will include an additional bus staging area and emergency vehicle access lanes. No other significant site work is expected to be included in the scope of the work.

The total construction contract cost for the project is expected to be at or below \$4,100,000, which when divided into the total area of the project results in a cost per square foot of \$144.94.

Comments: The Superintendent spoke about the project. Brownsburg is a growing community located west of Indianapolis. The school district fluctuates between the third and sixth fastest growing school district in the state and they have increased by over 1,200 students the past few years. The school board has adopted a philosophy to only build facilities to meet current needs. A proposed project for an addition to the high school was defeated by remonstrance last year. This proposed project will help regain momentum to keep students housed. The task force has become an even more important part of planning since the remonstrance on the last project. The task force began meeting last year to review issues pertaining to short term needs, long term needs and current needs in the district. They will graduate a class of 400 this year, but the incoming freshman class is 600 students. The high school is the facility most in need of an ongoing plan. A project is needed currently to get them through the next couple of years. The project at the middle school will renovate current spaces into classrooms to help house students. They currently have two options available, this project or portable classrooms. Two community forums were held to discuss building needs and the community felt portable classrooms were not a good option. This project gives the district the flexibility to put the 9th grade in that facility if the high school gets too crowded and will allow them to continue their powerful high school program. This is the quickest facility that can be built and the community supports the project.

Mr. Bowen noted the excellent academic statistics of the school district. Mr. Bowen asked if East Middle School houses all 6th-8th grade students in the district. The Superintendent said there are two middle schools in the district and the 6th grade was just moved to them this year. Mr. Bowen asked if East Middle School houses 1,500 students and the Superintendent replied it will when project completed. Mr. Bowen asked for the capacity of the other middle school and the Superintendent said 900 students. Mr. Bowen asked for the current enrollment of the 6th-8th grades. The Superintendent said the current enrollment is 1,800 and they are building for a future 6th-8th grade enrollment of 2,400 students. Mr. Bowen asked when officials expected to reach that number and the Superintendent replied around the 2013-2014 school year. Mr. Bowen said the Individual Project Breakdown reported 220 square feet per student at capacity, but he felt it should be 183 square feet per student.

Mr. Umbaugh questioned if the 0% reported on proposed new debt on page 11 of the hearing information sheet was a typographical error. Mr. Umbaugh asked if the term of the lease is 25 years and will be funded over 20.5 years and officials replied yes. Mr. Umbaugh said he would be more comfortable with a 22.5 year term. Mr. Umbaugh asked for an opinion of the Circuit Breaker on the bond market. Mr. Sturbaum said the concerns of S&P were noted in a recent publication. He feels the position that Melissa Henson, DLGF Commissioner, has taken will

help alleviate concerns, but it is too early to tell what the effects will be. Mr. Maggos noted that bond insurance quotes since this legislation passed have doubled and even tripled in some cases. He said some insurance companies have said they will insure school issues, but not issues of municipalities.

Mr. Barnes asked if a project was recently defeated in the school district. Officials said a project was defeated over 12 months ago. Mr. Barnes asked if it was not the same project being presented today and officials said this was not part of that project.

Mr. Ward said the 0% reported on proposed new debt on page 11 of the hearing information sheet was probably due to the assessed value being so high compared to the \$5 million payment.

Mr. Nemeth asked if officials take bids before bonds are sold. Mr. Ward said they typically sell bonds before bids are received and feels this project is small enough to do so. Mr. Nemeth asked if they will hire a construction manager to oversee the project and officials said no since they oversee their own projects. Mr. Nemeth asked about the holding corporation. Mr. Ward said he has the authority to sign construction claims, but he is not an officer of the holding corporation. Mr. Nemeth said the school attorney should probably approve this and Mr. Ward said the school attorney made the suggestion.

Mr. Bowen suggested cost estimates from the professionals be included in the materials the control board members receive for review prior to the meetings.

Mr. Mills asked for the cost of the proposed high school project that was defeated last year and the Superintendent replied \$21.9 million.

Mr. Bronnert asked if this project was being moved up due to needs. The Superintendent said the 9th grade will come to the middle school in the fall of 2007 and the high school is at capacity currently. The middle school will need this space in the fall of 2009, so the high school will need to be prepared by then.

Mr. Besinger asked what the enrollment projections were based on and the Superintendent said they had a demographic study this year as well as their own study.

Mr. Bronnert asked about any future projects to be forthcoming. The Superintendent said the task force will present to the school board soon on needs and they expect to do something by 2008. Mr. Bronnert asked about the future of Lincoln Elementary School. The Superintendent said they plan to move administrative offices to Lincoln and use the area for elementary school space.

Motion: Mr. Umbaugh made a motion to approve a lease rental agreement with maximum annual payments of \$450,000 for 22.5 years. Mr. Nemeth seconded the motion, which carried by a vote of 8-1. Mr. Besinger cast the dissenting vote.

North Adams Community Schools, Adams County: Officials requested approval of a lease rental agreement with maximum annual payments of \$675,000 for 15 years. Total project costs

are \$5,145,000. The tax rate impact is \$0.1185 with no new facility appeal planned. The common construction wage information was in order. There was no application for a petition and remonstrance process.

Present for the hearing was Jim Compton, Superintendent; Curtis Rash, School Board President; Dale Bieberch, Buildings and Grounds Director; Tim Thoman, Performance Services; Phil Gutman, Hilliard Lyons and Thomas Peterson, Ice Miller.

Project: The Project consists of the replacement of outdated boilers, controls and HVAC equipment to improve air quality and temperature management at the following schools: Belmont High School, Belmont Middle School, Monmouth Elementary School, Northwest Elementary School and Southeast Elementary School. The projects are being bid pursuant to an energy savings contract arrangement. The school corporation did conduct a preliminary determination hearing, but no taxpayers requested the petition/remonstrance process.

Comments: The Superintendent spoke about the project. The project involves the replacement and upgrade of the heating and cooling systems in all buildings in the district. The project consists of replacing boilers, room unit ventilators, and the accompanying piping, controls, sensors, and technology needed to optimize the system. There will also be several 40+ year old windows replaced at the high school. There are several reasons this project is being proposed. The mechanical systems are over 40 years old and have far outlived their useful lives. The repairs needed are becoming more frequent and costly to the district. Another problem is the inability to reliably control the temperature of the schools and in particular classrooms. The temperature can vary in the same classroom from day to day with no apparent reason. The custodians spend a great deal of time chasing down control problems to improve the learning environment. The design of the current system is also a problem as the unit vents are near the windows and the thermostat is on the opposite wall. The variation of temperature across the room can be enough to cause discomfort to those in the classroom depending on where they are sitting. The project calls for a diffuser system in the classrooms that will give a more uniform heating and cooling throughout the classrooms. There will be new unit ventilators installed to replace the noisy systems currently in place. Energy consumption and the ability to have a central control point for all systems was also a concern. The new boilers, air handlers, unit ventilators and other control features will save on energy consumption. The district has typically spent around \$30,000 per month for natural gas over the district, but that cost has jumped to over \$52,000 this year. The school board has discussed this issue at several meetings. Officials did not go outside their staff to form a committee on this project due to the technical nature of the proposal. There was excellent coverage by the local media as well as a presentation to the local Rotary Club. They first determined it was best to take on the project all at once rather than string it out over several years. After the needs were determined, an RFP was released for the project. There were four firms that picked up the RFP and go through the pre-proposal meetings and walk throughs. Performance Services was chosen to present their proposal to the school board at a public meeting and there have been no objections raised about the project.

Mr. Bowen did not question the need for the project or the quality of the work of Performance Services, but he was concerned this project does not meet the statutory requirements. The statute is set up so that over a ten year period, or less if stipulated by the savings agreement, the school

corporation pays the contractor and the savings from the project offset. The Superintendent agreed that is what the statute says, but that is not the way it works. Mr. Bowen continued that the statute also says “payments are subject to annual appropriation by the fiscal body of the school corporation or political subdivision and do not constitute an indebtedness of the school corporation”, but the school corporation is proposing to sell bonds for this project. Mr. Bowen felt the income from those bonds is just increasing the school’s General fund

Motion: Mr. Mills made a motion to approve a lease rental agreement with maximum annual payments of \$675,000 for 15 years. Mr. Barnes seconded the motion, which carried by a vote of 7-2. Mr. Barrow and Mr. Bowen cast the dissenting votes.

Tell City-Troy Township School Corporation, Perry County: Officials requested approval of a lease rental agreement with maximum annual payments of \$133,333 for 16 years. Total project costs are \$2,000,000. The tax rate impact is \$0.0420 with no new facility appeal planned. The Industry Appointee named by Awarding Agency voted against the common construction wage scale. The issue fell below the threshold for a petition and remonstrance process.

Present for the hearing was Ron Etienne, Superintendent; Tom Durkin, Engineer; Lonnie Therber, Therber & Brock and Thomas Peterson, Ice Miller.

Project: The project is made up totally of major maintenance items at Tell City High School which has been largely untouched since 1979. Components of the project are:

1. Upgrade HVAC system in the building;
2. Upgrade the separate HVAC system which serves the pool and repair the roof over the pool;
3. Replace windows; and
4. Replace lockers.

Funding will come from an issue of Qualified Zone Academy Bonds (“QZAB”) to be purchased by a financial institution. The Bonds are interest free to the issuer. The lending institution will receive the equivalent of interest in the form of Federal Income Tax credits. The QZAB program is one in which the Federal Government sets the repayment term and interest rate equivalency on a monthly and daily basis, respectively.

Comments: Mr. Peterson explained briefly the Qualified Zone Academy Bond program. The interest rate on the bonds is 0% and this is a program through the federal government. The program limits project costs to \$2 million. It allows for negative interest as payments are made and invested. The school corporation will pay back around \$1.7 million to borrow \$2 million. The program was not granted an extension, so they are unsure if it will continue.

The Superintendent spoke about the project. He came to the district a little over a year ago out of retirement. He found the school district had both budget and building issues. The high school was last remodeled in 1979 and the HVAC system is that old or older in some areas of the building. There is no new square footage included in this project. The project will update the HVAC, repair the swimming pool area and roof repairs. Some of the substructure is coming up around the pool. The \$2 million may not cover everything they need, but it will help.

Mr. Mills asked what officials hoped to save by completing this project. The Architect said this should cut operating costs by 1/3. Mr. Mills asked what operating costs are currently and the Architect replied \$1.50 to \$1.75 per square foot. Mr. Mills asked then if the savings would be \$0.50 per square foot or \$90,000 and the Architect replied yes.

The Superintendent noted that vocational education classes are also held in this facility.

Mr. Bronnert asked how many school systems are in the county and the Superintendent replied three. Mr. Bronnert asked if the two town districts, Cannelton and Tell City, have considered consolidating. The Superintendent said there has been a lot of talk over the years, but nothing more. A meeting to discuss that was scheduled during the 1970's, but was cancelled due to other circumstances.

Mr. Mills asked what the enrollment is in the district and the Superintendent answered 1,625 students. Mr. Mills asked about the current debt in the district. The Superintendent said they will be paying off debt in seven years.

Mr. Barrow asked who will oversee the project and the Superintendent said he would along with the architect. Mr. Barrow asked if the school board member absent from the lease hearing supports the project and the Superintendent replied yes. Mr. Barrow asked about the no vote on the common wage scale. The Superintendent said it was the ABC representative that voted no.

Motion: Mr. Barnes made a motion to approve a lease rental agreement with maximum annual payments of \$133,333 for 16 years. Mr. Umbaugh seconded the motion, which carried by a vote of

Elkhart Community Schools, Elkhart County: Officials requested approval of a lease rental agreement with maximum annual payments of \$452,000 for 20 years. Total project costs are \$5,150,000 with \$350,000 from the Capital Projects fund. The tax rate impact is \$0.02 with a \$0.01 new facility rate impact expected. The common construction information was in order. There was no application for a petition and remonstrance process.

Present for the hearing was Mark Mow, Superintendent; Doug Hasler, Executive Director of Support Services and Jeff Qualkinbush, Barnes & Thornburg.

Project: Riverview Elementary School lacks adequate classroom and support room space to serve the instructional needs of the existing Riverview student population. At present, there are four (4) portable classroom units located on the grounds of Riverview School serving as student classrooms. Additional space is necessary to accommodate the instructional needs of special education students, and students receiving instruction in English as a second language. As the student enrollment at Riverview has grown through the years, it became necessary to convert spaces which would otherwise have been used for dedicated instruction in music and art to regular classrooms.

The project consists of the construction of an addition with new classroom spaces, and a limited renovation of the existing facility. The classrooms added will consist of regular education, special education, art, music, and project room spaces. The renovation will include improvements to the school office, the physical education area, and the dining area. Carpeting and wall coverings will also be updated in the existing structure. The school office improvements are intended primarily to direct those entering the building into the office area for security purposes.

Elkhart Community Schools has fourteen (14) elementary schools. Each of the elementary schools has a defined attendance area. Nearly all of the elementary schools is at or approaching its intended student capacity. Accordingly, it is not feasible to revise the Riverview School student attendance area so as to shift its current excess of students to another nearby school which is below its student capacity. Elkhart Community Schools is in the process of reviewing all of its elementary student attendance areas, and is working toward a comprehensive re-districting program for elementary schools, and the possible construction of a new elementary school in the northwestern quadrant of the school corporation.

The projection of student enrollment levels in future years anticipates that the student population at Riverview will remain stable at its existing level.

Comments: The Superintendent spoke about the project. Riverview Elementary School is currently the smallest elementary school in the district. The facility was built in 1950 and renovated in 1961 and 1985. The project cost is just over \$5 million to add academic and support space. They are currently using portable classrooms at the facility. Officials feel the project is necessary to meet current and future academic needs and this project is part of their long range capital plan.

Mr. Barnes asked about the status of the most recent project. The Superintendent said the high school project was just getting ready to begin.

Mr. Besinger questioned the difference between the ADM and enrollment figures provided in the materials. Mr. Hasler said the ADM and enrollment are different due to such factors as kindergarten students being counted as one-half.

Mr. Mills asked what happened with bond rates last year. Mr. Qualkinbush said they have gone up 25 to 50 basis points. A bond sale on May 10, 2006 was 4.5% on a 20 year term. They are still below 5%, but they are getting closer. Mr. Mills asked what the rates were a year ago and Mr. Qualkinbush replied 4% on a 20 year term.

Mr. Bowen asked if bids have been received and Mr. Hasler said yes, but they have not been taken to the school board yet as they were just received recently. Mr. Bowen asked how long they were locked in and Mr. Hasler replied 180 days.

Mr. Barrow asked about the extended architect fees and Mr. Hasler said they are other related fees for architectural services. Mr. Barrow asked if a construction manager would oversee the project and Mr. Hasler replied yes.

Mr. Bowen asked if the construction costs were based on the bids. Mr. Hasler said yes and including the alternates the costs were more than the \$5,150,000, but they are not expecting to do them all.

Mr. Umbaugh asked about the bond rating and Mr. Hasler replied it was done by Moody's. Mr. Umbaugh asked if they are pre-qualified for bond insurance and Mr. Hasler said he believed they were pre-qualified.

Mr. Bronnert asked if there are 14 elementary schools in the district and the Superintendent replied yes. Mr. Bronnert asked how far along officials were with a feasibility study and redistricting plan. The Superintendent said the boundary study began in January 2006. All space is being used currently due to full-day kindergarten. They expect to move 100 students from one elementary school to alleviate overcrowding. They also expect a significant boundary adjustment in the fall of 2007 that will impact nearly every elementary school. They may also consider a change in grade configuration. Mr. Bronnert asked if officials felt this addition works into the long range plan. The Superintendent said they are currently using four portable classrooms, but this project will also give them more flexibility in the redistricting plan. Officials want to offer the same programs, such as music and special education, at this facility as are offered at the other elementary schools. They have been using a portion of the library at Riverview for classroom space.

Motion: Mr. Barnes made a motion to approve a lease rental agreement with maximum annual payments of \$452,000 for 20 years. Mr. Besinger seconded the motion, which favorably carried 9-0.

Michigan City Area Schools, LaPorte/Porter County: Officials requested approval of a general obligation bond issue in the amount of \$2,000,000. The term of the bond issue is 5 years. Total project costs are \$2,000,000. The tax rate impact is \$0.0182 with no new facility appeal planned. The common construction wage scale was passed with the Governor's representative abstaining from the vote. The issue fell below the threshold for a petition and remonstrance process.

Present for the hearing was Michael Harding, Superintendent; Vince Taylor, Business Manager; Sid Baker and Jim Elizondo, City Securities Corporation and Thomas Peterson, Ice Miller.

Project: General obligation bonds will be issued to finance the construction and equipping of an addition to the Marsh Elementary School building. The addition will provide two new classrooms and a kindergarten classroom. The will be dedicated classrooms for music and art instruction (these are currently taught "from a cart" in the regular classroom). Additional dining and kitchen space is included in the addition; the gymnasium is currently used as a cafeteria, requiring daily set-up and tear-down of the tables and equipment.

Comments: The Superintendent spoke about the project. This proposed project is part of the third phase of projects that began in 1995. The third phase included the construction of two new

elementary schools and a renovation project. The long range plan process delayed the third phase. The process is now complete, but issues emerged at the early childhood learning center and Marsh Elementary School. The facility is totally landlocked and all the students walk to school. The enrollment has increased and they cannot put anymore students in this facility, so they are busing some students to other facilities increasing their transportation costs. The project includes a kindergarten classroom, two general education classrooms, cafeteria space, storage space and three restrooms. They are requesting a bond issue in the amount of \$2,000,000.

Mr. Bowen asked if the current enrollment at Marsh Elementary is 277 and the Superintendent replied yes. Mr. Bowen asked if the capacity after the addition would be 360 and the Superintendent replied yes. Mr. Bowen noted the enrollment projections indicate a loss of 100 students at the elementary level by 2010. The Superintendent said they are not really experiencing that loss. Officials expect to attract more students with the early learning program that begins this fall. Mr. Bowen asked about the number of students at Mullen Elementary School. Mr. Taylor said 294 students. Mr. Bowen asked about the future of that facility. The Superintendent said they plan to rebuild it on the same site.

Mr. Bronnert noted the low graduation rate and test scores and asked how this project will help in that situation. The Superintendent feels the school board is committed to improving the entire district with the strategic planning process. They are focusing on early learning and career and technical improvements.

Mr. Nemeth asked how the \$2 million cost was determined. Mr. Taylor said it was based on the addition size and several alternates being included. The Superintendent said the construction cost estimate is \$1,715,000.

Mr. Barnes asked if the food service department makes a profit and the Superintendent said it goes back into the program. Mr. Barnes questioned the possibility of outsourcing the program. The Superintendent said they have served 1.7 million meals since the beginning of the year. This school cannot have gym class to allow them to serve lunch.

Mr. Bowen asked if the facility has a serving or preparation kitchen. Officials said the lunches are prepared at the high school.

Mr. Barnes asked if officials were going to sell bonds just under the petition and remonstrance limit to maintain the status quo. The Superintendent said they will be back to replace two 50 year old buildings. Mr. Barnes questioned if this was the only option that was considered. Mr. Umbaugh asked if the overall plan was to replace two elementary schools. Mr. Taylor replied yes, as well as to establish the early childhood development program. They are also anticipating the need for space for full day kindergarten. The Superintendent said this was pulled out of phase three due to immediate needs. After further discussion, Mr. Barnes felt it appeared officials have a bigger plan in place.

Motion: Mr. Besinger made a motion to approve a general obligation bond issue in the amount of \$2,000,000 with a term of 5 years. Mr. Bowen seconded the motion, which favorably carried 9-0.

New Prairie United School Corporation, LaPorte/St. Joseph County: Officials requested approval of a general obligation bond issue in the amount of \$1,920,000. The term of the bond is 32 months. Officials request approval of a lease rental agreement with maximum annual payments of \$4,905,000 for 17 years. Total project costs are \$24,000,000. The tax rate impact of the project is \$0.4404 and a new facility impact of \$0.0423 expected. The common construction wage information was in order. There was no application for a petition and remonstrance process.

Present for the hearing was Duane Wrightson, Superintendent; LuAnn Schwingendorf, Rich Shail, Colleen Lincke and Allen Williamson, School Board members; Bill Kaminski, School Attorney; J. Scott Winchester, Fanning/Howey, David Wimmer, Hilliard Lyons and Thomas Peterson, Ice Miller.

Project: The project consists of a new 2 story middle school of approximately 147,000 square feet serving 800 students. The facility layout is zoned with a community wing and an academic wing. The community wing is 1 story and contains a student commons, a cafeteria, a full production kitchen, 1 band room, 1 gymnasium, 2 locker rooms, and building support services. The gymnasium will have a divider curtain to provide 2 physical education teaching stations and will have a portable stage for school assemblies. The academic wing is 2 stories and will serve grades 6, 7 and 8. The academic wing contains a media center, 2 computer labs, 2 foreign language classrooms, 1 art room, a large group instruction room, 1 drama classroom, 2 special needs classrooms, an industrial technology lab, a family and consumer science lab, 6 science labs, 6 small group resource rooms, 2 health classrooms, and 22 core academic classrooms. The large group room will be a multipurpose room serving as the choir room and drama performance space, as well as for large group instruction. The 6 small group rooms will serve as a resource for pull out programs such as speech/hearing and LD. The academic wing also contains the main offices for the administration, nurse, guidance, attendance, and discipline.

The community wing will primarily be load bearing masonry with masonry cavity walls at the exterior. The academic wing will primarily be a steel frame structure with exterior masonry cavity walls and some insulated metal panels at the mechanical spaces. Interior partition walls will be primarily concrete masonry with metal studs and gypsum wallboard at the administrative offices. The roofing system shall be a flexible sheet membrane over parallel roof insulation over a low slope structural steel deck.

The site will be an expansion of the existing campus facilities. The existing campus includes the district administrative building and the high school on 131 acres. The new middle school will occupy vacant property currently owned by the district. The new middle school will have 1 new physical education field. All other athletic fields are existing and shared with the high school. The middle school will separate traffic for visitors, busses and deliveries. The main entrance will have visitor and staff parking with the parent pick-up and drop-off queuing area. The bus queuing area will provide additional parking for events. A separate service entrance will be provided for building receiving and kitchen and building services access.

Comments: The Superintendent spoke about the project. The discussions concerning space problems in the district began at a board/administrative retreat in March 2003. In January 2005, the school board asked 50 people to serve on the School Facilities Committee to study facility needs of space, student population growth and educational needs of the corporation. There were 20 to 25 people who agreed to serve on this committee. This study was done with the assistance of the architectural firm. This committee met six times throughout the 2005 school year and two public meetings were held in June and November of 2005 along with three administrative/board meetings with architects. The 1028 hearing was held in February 2006. The need for additional space is due to the increase in enrollment the past two years of about 130 students as well as the conservative estimate of 250 additional students over the next five years. All five buildings are at capacity and two buildings are over capacity. There are five teachers at the Junior High School without a classroom. There will be added space problems with all-day kindergarten. The new middle school will give the school corporation the flexibility of adding fifth grade in the future. The committee studied three options. The first was to add on to all five schools, which was not feasible with the infrastructure of some facilities. The second option was to change the grade configuration to K-5, 6-8, and 9-12 and add and renovate the present high school and junior high school at a cost of \$24 million. The third option was to change the grade configuration as in option two, but build a new middle school at a cost of \$24 million and add/renovate the high school and junior high buildings at a cost of \$9 million. The committee recommended the third option overwhelmingly. The administrative team recommended option three to the school board, but chose to use the Capital Projects fund for any renovations and additions to the present high school and junior high school. All five board members voted to build a new middle school.

The Architect continued the discussion. He presented a schematic design of the building, which is replicating a prior project. This facility will be 144,000 square feet and house 800 students. The project will be bid in July to beat expected inflation. Officials have reduced the cost of the facility by changing the exterior features of the building. The facility is designed for future expansion with the support areas set for the larger capacity.

Mr. Mills questioned the size of the facility since he was seeing 90,000 square feet reported on one form and a different number elsewhere. The Architect replied he had called the DLGF for clarification and the building circulation area is not reported on the Building Analysis. Mr. Mills questioned the cost per square foot of the project. The Architect said the construction cost per square foot is \$141 and noted that northwest Indiana has higher construction costs. The Superintendent said the Individual Project Breakdown reports the square footage of the new middle school as 147,225 square feet.

Mr. Bowen noted the two enrollment projections and he could not come up with the growth of 250 students that was mentioned earlier. The Superintendent said it is reported on the High Development Summary prepared by Fanning/Howey that was submitted with the materials for the control board members. Mr. Bowen questioned what the high scenario was based on and who decided to use this. The Architect said the national average is .7 children per new home. School officials said people from surrounding school districts are moving into their district and they used local data to estimate future enrollment. The Superintendent said there is no space remaining to handle the enrollment growth they have seen the past couple of years. The new

middle school allows more flexibility to move the fifth grade from the elementary schools and freeing up space at that level. Mr. Bowen asked about the size of the current junior high school. Officials replied it is 78,000 square feet. Mr. Bowen asked what would be done with this area and the Architect said it would become a freshman academy. Mr. Bowen asked if officials would be back to renovate this space and the Superintendent said they plan to utilize the Capital Projects fund for that project.

Mr. Barnes asked if they were building a new middle school, moving the 6th grade out of the elementary schools and putting the freshman in the junior high area and the Superintendent said yes. Mr. Barnes asked how teachers that teach junior and senior high will be affected by this project. The Superintendent said there are some teachers in the freshman academy program currently that also teach 10th-12th grade. Mr. Barnes asked if the freshman academy would be placed in a segregated area and the Architect replied yes. Mr. Barnes said he was not sure how this can be efficient and asked if they are not teaching at both levels and the Superintendent replied no. Mr. Barnes asked if school officials were not increasing teaching staff due to this project and the Superintendent said they are only adding staff to cover enrollment increases. The Architect noted the space currently housing the junior high school is inefficient. Mr. Barnes said he is always concerned about the expansion of administrative and teaching staff and how a district plans to fund those costs.

Mr. Umbaugh asked why the general obligation bonds along with the lease rental. Mr. Wimmer said it will minimize capitalized interest expense. Mr. Umbaugh noted he prefers this type of financing.

Mr. Bowen commented on the increase in ISTEP scores in the district.

Mr. Mills suggested that taxpayers be given the amount they would pay to over the life of the debt. Officials said they would take the suggestion into consideration.

Mr. Bronnert noted that letters had been received from several taxpayers opposed to the project. He asked if there was anyone in attendance that wished to speak before the control board and there was no response. The Superintendent said one person who wrote a letter has never attended a school board meeting. The former school board member has been attending meetings, but has never raised any concerns about this project.

The School Board President said he has read the letters of opposition. He felt nothing was written that was substantiated by fact. The former school board member had his own agenda when he was on the school board and caused problems. The third letter was from the wife of a former school board member.

Mr. Barrow asked if the bond issue is included in the \$24 million project cost and Mr. Peterson replied yes.

Motion: Mr. Umbaugh made a motion to approve a general obligation bond issue in the amount of \$1,920,000 and a lease rental agreement with maximum annual payments of \$4,905,000 for 17 years. Mr. Bowen seconded the motion, which carried by a vote of 5-4. Mr. Barnes, Mr.

Besinger, Mr. Barrow and Mr. Mills cast the dissenting votes. Mr. Mills felt the project was a little too ambitious.

Washington Community Schools, Daviess County: Officials requested approval of a lease rental agreement with maximum annual payments of \$1,553,000 for 24 years. Total project costs are \$19,500,000. The tax rate impact is \$0.1160 with a new facility rate impact of \$0.01 expected. The Governor's representative abstained from the common construction wage vote, which was approved. There was no application for a petition and remonstrance process. The project fell well below the construction cost thresholds for additions.

Present for the hearing was Tom Miller, Superintendent; Bruce Hatton, Assistant Superintendent; Jeff Hayes, School Attorney; Will Fosse, Architect; Lonnie Therber, Mike Therber and Tom Thornton, Therber & Brock and Jane Herndon, Ice Miller.

Project: Washington Senior High School:

The Senior High School at Washington, Indiana is a two and three story structure built in 1965. The building consists of a Classroom-Auditorium component and a Gymnasium component.

Pre-renovation areas (inside exterior walls)

Bsmt. Floor	3,560
1 st Floor	102,420
2 nd Floor	71,450
3 rd Floor	<u>28,980</u>
	206,410 sq. ft. total

Post-renovation areas (inside exterior walls)

Bsmt. Floor	6,820
1 st Floor	108,160
2 nd Floor	71,450
3 rd Floor	<u>28,980</u>
	215,400 sq. ft. total

The Classrooms-Auditorium is a two story structure with a second floor framing consisting of pre-cast concrete columns, beams, masonry bearing walls, and pre-cast double and/or single tees. The Classroom-Auditorium has a flat roof and its framing consists of structural steel columns, beams, masonry bearing walls and bar joists with a steel roof deck.

The Gymnasium portion of the high school is a three story structure with second and third floor framing of poured-in-place reinforced concrete columns, beams and floor systems. The Gymnasium roof has a reinforced concrete perimeter frame with an arched, steel lamella roof system using bulb tees and tectum between lamellas. A small basement in the Gymnasium area houses a mechanical room and a weight training area.

The majority of the exterior walls consist of brick masonry with concrete masonry back up units. A portion of the west wall of the Classroom-Auditorium is normal 12" masonry block. Aluminum projected windows with clear single glazing are used throughout the Project.

The Senior High School was constructed before current ADA requirements were required; therefore toilet room modifications, door width modifications and elevators are necessary for code compliance.

The Gymnasium has a fixed seating capacity of 5,144 persons. Folding bleachers at the first and third floors expand the total seating capacity to just over 7,000 persons. Large toilet rooms are required near the Gymnasium to meet code compliance.

The renovation of the Senior High School will include the following:

- Central air conditioning throughout
- New classroom flooring
- New ceiling throughout
- New lighting throughout
- New additional circuitry in all rooms
- Chalkboards/tack boards
- New classroom furniture
- New classroom casework
- New exterior windows with low-e, insulating glass
- New doors, frames and hardware
- New toilet fixtures/toilet partitions
- New exterior entrance door

In addition to the above renovation work, all non-code compliance items will be remedied.

An addition north of the Gymnasium will include office space for the Athletic Director, Staff Offices, Physical Education areas and a Lobby/Concession area with toilets for patrons of Gymnasium activities.

Washington Jr. High School:

The Jr. High School at Washington, Indiana is a single story structure built in 1985. It is a steel framed building with sloping roofs. Roof framing consists of sloping bar joist, metal deck, nailable insulating components and asphalt shingle roofing. A center mezzanine area houses mechanical equipment. The exterior walls are brick veneer with insulation and nom. 8" block back-up. Existing windows are insulated glass and will be reused.

The Jr. High School construction incorporates most applicable code requirements, and has numerous construction components such as doors, frames and hardware that can be reused. However, space requirements are totally inadequate. New construction of a two story addition at both North and South court yards and at the area vacated by the demolished one-story shop area will provide adequate space required for a complete functioning Jr. High School.

The Junior High students will continue to eat at the Sr. High School cafeteria.

Renovations at the Jr. High School consist of the following:

- New lockers
- New floor covering throughout
- New casework
- New roofing (shingles)
- New classroom furniture
- New ceilings
- New lighting
- Additional computer room areas
- Teacher work areas
- Teacher toilets

Pre-Renovation Areas (inside exterior walls)= 19,385 sq. ft.

Post-Renovation Areas (inside exterior walls)= 40,515 sq. ft.

Comments: The Superintendent spoke about the project. The project involves three primary areas of focus, the renovation of the senior high school, renovation of the junior high school and construction of additional space at the junior high to achieve separation of services provided to the junior and senior high. These items of focus were found to be the significant factor suggested by the feasibility study of 2004. The second floor of the west side of Washington High School is occupied by the Junior High School. The addition will move these teaching stations from this area into the addition. This allows for the expansion of the high school into areas previously occupied by the Junior High in the high school complex. The high school and junior high complex currently have 68 teaching stations for 75 staff members. This addition provides for six additional teaching stations, six additional computer labs, a separate junior high media center, a cafeteria addition, and additional space for administrative services including a student health center and a cultural diversity center. The current capacity of the Washington Junior/Senior High complex is 1,495. The additional academic space provided will expand that capacity to 1,645. Next years enrollment is projected to be a little over 1,200 students. The utilization of space for computer labs, small group remediation, and special education services require this additional space.

The Architect continued the discussion. He submitted a floor plan of the facility and reviewed where the additions would be made. The site is bordered by streets on all four sides so it is land locked.

Mr. Bronnert asked if this project will improve security in this facility. The Architect said the facility already has three entrances and a handicap-accessible entrance. This project will not have any effect on security.

Mr. Bowen asked where the additions to the facility would be constructed. Officials said in the courtyards on one side of the building and also on the north end of the gymnasium. Mr. Bowen questioned the size of the addition. Officials said the addition would be 30,000 square feet and they were to demolish 5,000 square feet.

Mr. Barrow asked if the capacity of the gymnasium is 7,000 and the Superintendent said yes. Mr. Barrow asked if the school has 1,600 students and the Superintendent said 1,200 students. Mr. Barrow asked if the gymnasium was overbuilt when it was constructed and the Superintendent said it probably was at that time. Mr. Barrow asked when the gymnasium was built and the Superintendent said 1966. Mr. Barrow asked for the capacity of the cafeteria and the Architect said 990 after the project is completed. Mr. Barrow asked when it was constructed and the Superintendent said 1966. Mr. Barrow asked if the gymnasium and auditorium is used by community groups. The Superintendent said the entire building is utilized by organizations, including Vincennes University for evening classes.

Mr. Bowen said the new capacity will be 1,645 and the demographic study projects 1,242 students in 2011. The Superintendent said the catholic school is down to about 150 students from 400. It is a possibility that school could close, but that is not planned currently. The proposed route for I-69 will come through their area and that could increase development. Mr. Bowen questioned the need for the additional 25,000 square feet to be constructed in the courtyards based on enrollment estimates. The Superintendent said when the project is completed they will add one general classroom, one science lab, one industrial technology classroom, a library for the junior high, six computer labs and a music room.

Mr. Bronnert asked how this project will help improve student performance. The Superintendent said they have been lacking in technology and adding more computers should help in that area. The Curriculum Director said the infrastructure lacks electrical outlets and lighting because it was constructed in 1966. The community is adamant to separate the junior high students from the high school students. The special education students were not in this building when it was constructed and they are utilizing closet space currently to educate these students. The expansion of the cafeteria will allow them the space to become a closed campus for lunch. This will allow them to offer courses at the 9th and 10th grade level in engineering that students could continue at Vincennes University. The restrooms are currently inadequate and need to be upgraded.

Mr. Umbaugh said he would prefer the debt structured around current debt and shorten the term, but he understands it is a little too late to change it now. He felt that historically the control board and DLGF have frowned upon increased payments at the end of the term.

Mr. Besinger felt this is too much facility for the number of students it serves.

Motion: Mr. Barnes made a motion to approve a lease rental agreement with maximum annual payments of \$1,553,000 for 24 years. Mr. Umbaugh seconded the motion, which carried by a vote of 5-3. Mr. Bowen, Mr. Besinger and Mr. Barrow cast the dissenting vote. Mr. Mills was absent from the vote.

Adjournment: There was no further business to discuss and the meeting was adjourned.